

Annex: Specific commitments to ensure the continuity and completion of reforms adopted under the ESM programme

1: Fiscal and fiscal structural. Greece will fully respect its commitment to ensure that its **annual budget** achieves a primary surplus of 3.5% of GDP over the medium-term which respects the objectives of key reforms enacted under the ESM programme. To this end, it will complete the full offsetting and collection of the clawback by June every year for the previous calendar year. On **tax policy**, Greece will undertake, by mid-2019 and mid-2020, nationwide valuation exercises of property tax value based on market values and will update property tax values for ENFIA and other taxes fully in line with market values by mid-2020. On **tax administration**, Greece will reach the agreed permanent staffing positions at the Independent Authority of Public Revenue (IAPR) of 12.000 by end-2018, 12.500 by end 2019 and 13.322 by mid-2021, by when the end-to-end IT collection systems will also be fully operational. Greece will continue to implement reforms in the area of **public financial management**, avoiding the accumulation of new arrears and will, by mid-2019, complete the implementation of reforms identified by the Hellenic Court of Auditors. In addition, Greece commits to complete the cash monitoring and forecasting for the General Government Treasury account system (end-2019), complete the Chart of Accounts for the central administration by implementing the fund and functional classifications in the 2021 State budget (mid-2021) and extend to this reform to General Government entities (mid-2022).

2: Social welfare. Greece will continue with efforts to modernise its social welfare system, working closely with technical assistance provided through the SRSS. The setup of the single **pension** fund EFKA will be completed by mid-2020. As part of the Greek authorities' strategy to modernise the **health care** sector, Greece will ensure the rollout of the primary health care system, in particular by opening at least 120 primary health care centres (TOMYs) by end-2018 and all 240 TOMYs by mid-2020. The main body responsible for central procurement (EKAPY) will be set up by end-2018, with a view to achieving a share of centralised procurement in total hospital expenditure of 30% in mid-2020 and 40% in mid-2022. Greece will complete the reform of **social safety nets** launched under the programme; to this end it will apply to all disability benefits the new approach for disability determination based on both medical and functional assessment by mid-2019, review the system of subsidies for local public transport by end-2019, and complete the roll-out of all three pillars of the Social Solidarity Income (SSI) scheme by end-2019.

3: Financial stability. Greece will continue to implement reforms aimed at restoring the health of the banking system, including **NPL resolution** efforts by ensuring the continued effectiveness of the relevant legal framework (i.e. household and corporate insolvency, out-of-court workout, NPL sales, e-auctions) and taking all necessary actions to this effect. Greece will implement the comprehensive action plan on household insolvency with the objective to eliminate the backlog of cases, including the process of pending applications, by end-2021. Financial training to judges, related to the above, will be provided by end-2018. In the context of implementing the Three-Year Action Plan on Justice, phases I and II of the establishment of the e-justice system (OSDDY-PP) will be completed by end-2018 and mid-2020 respectively and the electronic filing of legal documents will be implemented throughout the Courts by end-2019, having completed the tendering procedure by mid-2019. The **HFSF** will by end-2018 develop an exit strategy for the sale of its stakes in the systemic banks and the mandate of the Selection Panel of the HFSF shall be aligned with the mandate of the HFSF; the independence of the HFSF will be fully respected and it shall continue to operate under commercial terms and without any political or other interference. The decision on liquidation or extension of the mandate for the HFSF will be taken by mid-2022. Greece will continue the relaxation of **capital controls** in line with the published roadmap.

4: Labour and product markets. Regarding the **labour market**, Greece will safeguard competitiveness through an annual update of the minimum wage in line with the provisions of Law 4172/2012. The implementation of the action plan on undeclared work will be completed by end-2019. Greece will complete the **investment licensing** reform, and to this end adopt all enabling licensing legislation (end-2018), finalise inspection legislation (mid-2020), revise the nuisance classification (mid-2021), finalise the simplification of investment licensing procedures in the agreed remaining sectors (mid-2020) and fully deploy the relevant ICT (end-2019) . Greece will complete the **cadastre** project by ratifying the complete cadastral mapping and forest maps by mid-2021, and as intermediate steps will complete the drawing of the remaining forest maps by mid-2019 and fully establish the cadastral agency and complete 45% of cadastral mapping by mid-2020. With a view to completing reforms in the **energy sector**, the agreed divestment of Public Power Corporation's lignite-fired capacity will be completed by end-2018. The Target Model will be fully launched by mid-2019, while the measures agreed as part of the joint assessment on the NOME auction system will be implemented by end-2019.

5. HCAP and privatisation. The Asset Development Plan and the Strategic Plan of HCAP will be implemented on a continuous basis. With a view to swiftly attracting investment to support a sustained economic recovery, Greece confirms its intention to complete of the transactions on the AIA concession and DESFA (end-2018); HELPE (including transfer of remaining shares to HCAP) and Marina of Alimos (mid-2019); Egnatia, DEPA commercial, AIA shares, EYDAP, EYATH and the regional ports of Alexandroupoli and Kavala (end-2019); the sale or other form of monetisation of PPC shares, DEPA network, regional ports of Igoumenitsa and Kerkyra, and Kavala underground storage (mid-2021) and a number of other regional ports, based on the recommendations of the consultants of TAIPED and following the agreed process between the authorities and TAIPED (mid-2022). The transfer of OAKA to HCAP and the restructuring of ETAD will be completed by end-2018 and the review/replacement of all SOE boards by mid-2019.

6. Public administration. The implementation of reforms to modernise the public administration will be sustained. As part of this effort, Greece will complete reforms to **modernise human resource management in the public sector**, and in particular the appointment of Administrative Secretary Generals and all Directors General according to law 4369/2016 by end-2018 and independent assessment of this process, including follow-up measures (mid-2019), complete the 3rd cycle of mobility and performance assessments by mid-2019, and complete the integrated HR Management System (digital organigram for all public entities and link with single payment authority) by end-2019. In view of enhancing legal certainty and access to law through **legal codification**, the Labour Law Code and Code of Labour Regulatory Provisions will be adopted by mid-2020, and the National Gateway for Codification and Reform of Greek Legislation will be completed by mid-2022. Greece will implement all GRECO (Groupe d'Etats contre la Corruption) recommendations in the context of the implementation of its overall national **anti-corruption** plan by mid-2021.
